

Project Mardi Gras



Dave Walsh, eServices Group

David Wiggin, MEDSTAT

Brad Cohen, ACS



Our Goal

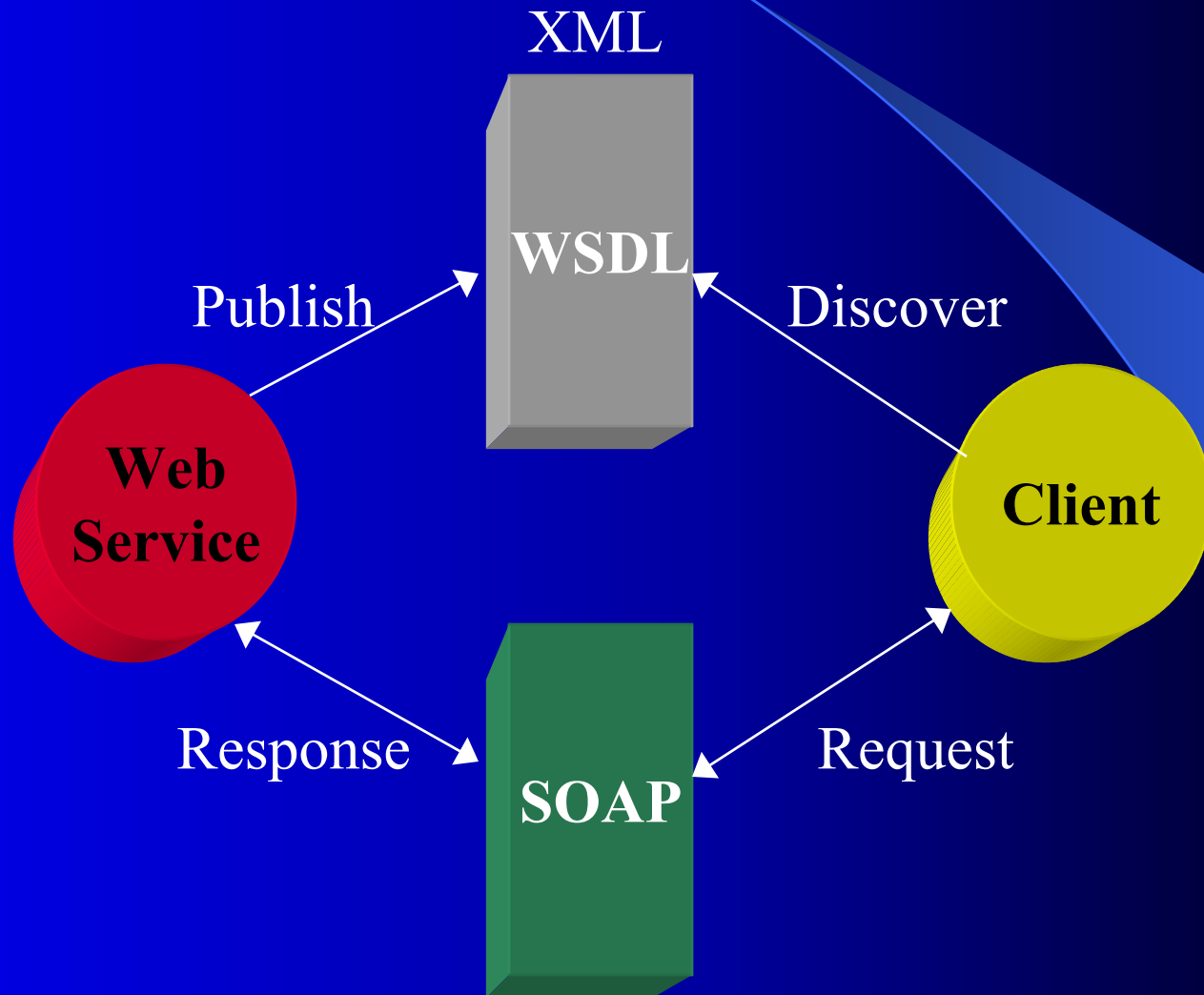
Path



Web Services — description



Web Services — seamless plug and play



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David Wiggin
MEDSTAT

Decision Support - description

- Not
 - 3NF Data Warehouse or ODS with SQL access
 - Operational inquiry – “Did my check go out yet?”
- Integrated data base, applications and GUI, where Medicaid domain knowledge is integrated, to answer questions about:
 - waiver program planning & evaluation
 - financial reporting
 - medical policy development
 - eligibility analysis
 - fraud & abuse detection and investigation
 - ad hoc healthcare analysis

Decision Support - typical questions

- What are the childhood immunization rates by immunization type and eligibility category for those who have been continuously enrolled for the past 12 months?
- What are the major factors that drive the change in cost over time for a particular program? Opportunities for cost reduction (pricing, utilization, regional variations, demographic factors, etc.)?
- Forecast the annual program savings if prescribing physicians ordered lower-cost rather than higher-cost SSRI antidepressants, and identify the providers who should be targeted for an educational mailing.
- Identify the highest cost patients from the past 12 months, their patterns of use and most frequently used providers.
- Forecast costs based on various trends in the population.
- “What if” assessments from the Governor or Legislature.

ROI of Decision Support

- Deliver Business Value (BV) by providing actionable information to end-users
- To be worthwhile, it provides more value (BV) than the Total Cost of Ownership (TCO)
- Return on Investment (ROI) for Decision Support is positive when $BV > TCO$

Medicaid Director: “Will Web Services technology improve program effectiveness? Will it increase the value of my Decision Support investment?”

Business Value of WS

- Decision Support is delivered today, substantially without Web Services, using:
 - Large, high performance data bases
 - ROLAP / MOLAP / HOLAP
 - Reports / Reporting tools / Predictive Modeling
 - Episode Groupers / Risk Adjustment
 - Benchmarks / Clinical Guidelines

Use of Web Services does not inherently make Decision Support more valuable to the end-user

Business Value of WS

- The use of Web Services offers potential improvement in:
 - Development speed, resulting in more responsive application enhancements
 - Broader access to applications / applets, offering increased analytic flexibility

TCO Impact of WS - development

- Opportunity to reduce initial development cost
 - Early Web Services testimonials vary in impact on development cost; some report reductions of 40% - 50%, while others report 20% increases
 - Some indication that savings increase with more complex applications

TCO Impact of WS – operations

- Opportunity to reduce operations cost
 - What used to be a periodic refresh / fetch of outside data becomes real-time (e.g. normative / comparison data, metadata, reference data)
 - Redundancy of apps and data reduced; no longer necessary to centralize all needed components in single server environment
 - These savings projected to be modest

TCO Impact of WS – maintenance

- Opportunity to reduce maintenance cost
 - Develop Web Services once (design, code, test, release) and use many times
 - As business conditions require application enhancements, they are applied at the WS level, not multiple programs
 - Applications end up becoming loosely coupled collections of proven building blocks

The State of WS in 2003

- WS gaining in acceptance in IT community, but not “ready for prime-time” for Decision Support.
- The WS architecture is becoming more complete
- Areas to Watch:
 - Services Grain – not too fine, not too coarse
 - Security
 - Performance & Management
 - Work of standards organizations
- Not RFP litmus test

Closing Thoughts

- Focus first on RESULTS, not METHODS
 - Will this provide better decision-making information to them? More easily?
 - Would patient data be secure?
 - Is it cost effective
- Web Services momentum is growing – watch it develop
- In time, WS will deliver improved Decision Support ROI

Questions and Answers

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